

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	:	Chapter 11
	:	
W.R. GRACE & CO., et al.,	:	Case No. 01-01139 (JKF)
	:	
Debtors	:	
	:	

**DESIGNATION BY SAN DIEGO GAS & ELECTRIC COMPANY, SEMPRA ENERGY
AND ENOVA CORPORATION OF FACT AND EXPERT WITNESSES REGARDING
LACK OF HAZARD ISSUE AS DESCRIBED IN DEBTORS' FIFTEENTH
OMNIBUS OBJECTION (RE: CLAIM NO. 11308)**

San Diego Gas & Electric Company, Sempra Energy and Enova Corporation ("Claimants"), pursuant to the Amended Order Setting Various Deadlines Regarding Objections to Asbestos Property Damage Claims dated October 13, 2006, hereby designate fact and expert witnesses regarding the adjudication of the lack of hazard issue as described in Debtors' Fifteenth Omnibus Objection (Substantive) To Asbestos Property Damage Claims ("Fifteenth Omnibus Objection") as follows:

Claimants are the current and former lessees of an office building located at 101 Ash Street, San Diego, California, 92101 (the "Building"). The Building is a 21-story high rise that is currently used to house the corporate headquarters of Sempra Energy ("Sempra"), an energy company that owns various energy subsidiaries, including Claimants San Diego Gas & Electric Company ("SDG&E") and Enova Corporation. Claimants' books and records establish that the Building contained Monokote-3 fireproofing insulation used to protect the steel structural members of the Building. The Claimants' proof of claim (which Debtors assigned Claim No. 11308) ("Claim") asserts a claim for the costs to perform spot abatement during various construction work undertaken throughout the Building and further seeks to recover the costs of

additional abatement that will be required as part of any planned current or future remodeling of the Building.

Debtors seek the disallowance of the Claim asserting that Claimants have provided no proof that Grace's products created an unreasonable risk of harm causing property damage or necessitating abatement. Debtors further contend that Claimants may establish the existence of a hazard only through air sampling that measures the concentration of respirable asbestos in the air that people breathe.

A. Fact Witnesses

Sheldon Glady- 101 Ash Street, San Diego, California, 92101

Mr. Glady was a facilities manager for San Diego Gas & Electric Company ("SDG&E") who oversaw the 101 Ash Street building ("Building") from the mid-1990's through the mid-2000's. Mr. Glady will provide percipient testimony concerning the various remodels performed at the Building, asbestos abatement that occurred in relation to the remodels, costs incurred and paid for in the asbestos abatement, the condition of the asbestos in the Building (e.g., that it is in stable form and not deteriorating), and the maintenance and custody of SDG&E's construction records that reflect the use of Debtors' product at the Building. Further testimony may include the history of Buildings, identification of Grace products, the presence of building contaminants associated with the use of those products and surveys and analysis performed on the Building.

Jon Krantz- 101 Ash Street, San Diego, California, 92101

Mr. Krantz is the current facilities manager for the Building. Mr. Krantz will provide percipient testimony concerning the various remodels performed at the Building, asbestos abatement that occurred in relation to the remodels, costs incurred and paid for in the asbestos abatement, the condition of the asbestos in the building (e.g., that it is in stable form and not deteriorating), and the maintenance and custody of SDG&E's construction records that reflect the use of Debtors' product at the Building. Further testimony may include the history of Buildings, identification of Grace products, the presence of building contaminants associated with the use of those products and surveys and analysis performed on the Building.

Brian Telesmanic- 101 Ash Street, San Diego, California, 92101

Mr. Telesmanic is the Project Manager for SDG&E overseeing the asbestos abatement for the current remodeling project being undertaken at the Building. Mr. Telesmanic can provide percipient testimony regarding the extent of asbestos abatement that has occurred with respect to the current remodeling project, and amounts Claimant has paid to date for the abatement. Mr. Telesmanic can also offer his percipient observations of the condition of the non-abated asbestos at the Building. Further testimony may include the history of Buildings, identification of Grace products, the presence of building contaminants associated with the use of those products and surveys and analysis performed on the Building.

Brian Heramb- 101 Ash Street, San Diego, California, 92101

Mr. Heramb is a Senior Industrial Hygienist for SDG&E who has overseen asbestos abatement at the Building. Mr. Heramb will provide percipient testimony concerning testing at the building, test result findings, and the condition of the non-disturbed asbestos at the Building.

Jay Sheppard- 101 Ash Street, San Diego, California, 92101

Mr. Sheppard is a retired employee of Sempra Energy who oversaw the Building management from the late 1980's through the mid-1990's. Mr. Sheppard may provide percipient testimony concerning the various remodels performed at the Building, asbestos abatement that occurred in relation to the remodels, costs incurred and paid for in the asbestos abatement, the condition of the asbestos in the building, and the maintenance and custody of SDG&E's construction records that reflect the use of Debtors' product at the Building.

B. Expert Witnesses

Brian Heramb- 101 Ash Street, San Diego, California, 92101

Mr. Heramb is a Senior Industrial Hygienist for SDG&E who has overseen asbestos abatement at the Building. Mr. Heramb will provide expert testimony concerning testing at the building, test result findings, and the condition of the non-disturbed asbestos at the Building and the appropriate factors to make determinations on abatement and the threat posed by Grace products in the Building which required abatement in connection with the various construction projects. Mr. Heramb will provide testimony about government regulations concerning asbestos contamination in buildings and the corresponding responsibilities imposed upon building owners to manage and abate the asbestos contamination.

Steven P. Viani, P.E., ForensisGroup, 3452 East Foothill Blvd., Suite 1160, Pasadena, California 91107-3160

If deemed necessary, Mr. Viani is expected to provide testimony regarding the hazards posed to human health by Grace's products and the appropriate factors to make determinations on abatement and the threat posed by Grace products in the Building which required abatement in connection with the various construction projects. Mr. Viani will provide testimony about government regulations concerning asbestos contamination in buildings and the corresponding responsibilities imposed upon building owners to manage and abate the asbestos contamination.

In addition to the above-referenced fact and expert witnesses, Claimants incorporate by reference as if fully contained herein, any expert witness, expert witness reports or fact witness filed by any other property damage claimant regarding Debtors' lack of hazard objection. Claimants may call the following experts to testify about issues involving the lack of hazard issue who may also testify that air or dust sampling is not always necessary to make decisions regarding abatement when friable asbestos is found in a building and that such decisions may be made on the basis of visual inspections.

Lara S. Welch, MD
William M. Ewing, MD
Henry A. Anderson, MD
William Longo, Phd.

Claimants reserve the right to name or incorporate all Grace fact or expert witnesses and their reports and depositions for purposes of the determination of the Debtors' claim objection. Further, Claimants incorporate by reference all Grace witnesses to authenticate any document attached to Claimants' Proof of Claim and supplemental submissions. Claimants further incorporate all chain of custody witnesses as they relate to any collection, survey or analysis relevant to the Building.

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Claimants reserve the right to supplement and identify additional fact and expert witnesses.

Dated: December 22, 2006

By: /S/ Steven T. Davis

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